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On behalf of the Board of Directors and members of the Economic Development Center of St. Charles County, I want to thank you, Chairwoman Velázquez, Ranking Member Graves, and members of the Committee, for the opportunity to speak before the Small Business Committee today.

The people of St. Charles County are fortunate to have two members representing the interests of small business, and I appreciate the service of Representatives Todd Akin and Blaine Luetkemeyer.

The EDC has operated the 504 program on a regional basis for nearly 20 years, and as of three years ago, on a state-wide basis. We hope to secure the permission to operate in Southwestern Illinois shortly. We benefit from a close relationship with the Small Business Development Center of the University of Missouri -- we provide office space, use of our conference rooms, and office support. Finally, we have benefited from Department of Commerce support for our incubator facilities. So we are fortunate to have an integrated system to help small business grow, and we want to thank this committee for its leadership in this important policy area.

In calendar year 2008, the EDC disbursed more than \$22.5 million to 37 businesses throughout Missouri with a total project value of more than \$60 million that helped create or retain 1,063 jobs. Since 2000, the EDC 504 loan program has helped finance projects around the state totaling nearly \$250 million while creating or retaining 5,774 jobs. Each one of these business expansions translates into real benefits for real people. Like certified developments companies around the USA, we finance businesses of all types -- from auto repair shops to restaurants, to day care to advanced manufacturing. In this case, they are all Missourians, but the 504 program is national in scope, and this committee should feel proud of the impact that groups like the EDC are having, by enabling success for the real heroes of our economy, the owners and employees of growing companies.

Like the rest of the country, St. Charles County has felt the impact of the turbulence in our national economy. Our largest industries include homebuilding, financial services and automotive assembly, all of which are facing challenges. So, if there was ever a time in which our flagship program, the SBA 504 program, was indispensable to the recovery of our local economy, this is that time. And I am here to report some encouraging signs of local recovery.

The last quarter of 2008 saw a precipitous decline in 504 approvals as banks and borrowers lost confidence. However, I am happy to report that the 504 program appears to have made a significant recovery. Since April 1, we have approved 7 loans, and our loan officers attribute the increased activity to the temporary reductions in fees for 504 program. This has moved borrowers and lenders "off the fence," a first step in our country's economic recovery, with small business leading the way.

One final point: we have been very fortunate to have an excellent relationship with the St. Louis District office of the SBA. I want you to know that you have a hard-working, responsive, and dedicated group of people who are doing a great job of stimulating small business growth in eastern Missouri.

Again, Chairwoman Velázquez, Ranking Member Graves, and members of the Committee, I sincerely appreciate the opportunity to testify before you today, and would be more than happy to answer any questions you may have.